Study of poverty-ridden neighborhoods shows gentrification is not ruining enough of America

While Americans worry about gentrification, more neighborhoods become poor, report says

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Leaving Manhattan behind, many New Yorkers have made their way to Brooklyn. Photograph: Alamy

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Wednesday 10 December 2014 08.00 EST

Gentrification is the bete noire of the yuppie: once affluent professionals have settled a previously rundown neighborhood, they get cranky about how others like them are ruining the place. Nashville is the latest in the “gentrification is killing the city’s soul” meme.

Gentrifiers, however, are not ruining the US - or at least, not enough of it.

An exact opposite of gentrification is playing out. Instead of neighborhoods rebounding, they are getting older, shabbier and the people who live there are falling deeper into poverty.

The number of neighborhoods with a high poverty rate has tripled over the last 40 years, according to Joe Cortright and Dillon Mahmoudi, authors of a new report published by City Observatory.

Looking at 51 urban areas from 1970 to 2010, Mahmoudi and Cortright found that over the
past 40 years more than 2,000 census tracts went from being a below-poverty neighborhood to a high-poverty neighborhood. Census tracts include about 4,000 residents.

Neighborhoods whose rate of poverty dropped from above 30% to less than 15% were clustered in particular areas. About 15 were in New York, 11 in Chicago and seven in New Orleans.

In general, poverty only tended to get deeper and reach into more neighborhoods. The number of high-poverty tracts increased to 3,100 from 1,119 during those 40 years.

How many high-poverty areas gentrified? Only about 105.

An estimated one in three inhabitants of the Detroit in poverty, making it the poorest large city in America. Will Detroit rebound? Photograph: Charles Ommanney/Getty Images

One of the contributing reasons to this trend was the decline in urban racial segregation. As African Americans gained more income and education and moved away from their communities, the economic diversity of those communities dropped into deeper poverty.

In other words, those who could afford to move out of poor neighborhoods did so as soon as they could. That left a concentration of poor residents behind.

But the poor areas also lacked diversity. In 2010, “three-fourths of poor people living in urban neighborhoods with concentrated poverty were African-American and Latino,” the report says.

Another reason for the increase in poor neighborhoods is their ageing buildings and decline in infrastructure. As buildings get older, their value goes down and they become more affordable for low-income families. This happens slowly, year by year.

“Because the slow decline is more common and less visible, it is seldom remarked upon, while gentrification, when it happens - which is both unusual and dramatic - is far more evident change,” explains the report.

“There are more areas of poverty than areas undergoing gentrification, but that doesn’t mean that when communities do revitalize that people aren’t uprooted,” says Harold
Simon, executive director of the National Housing Institute. “That kind of thing has happened all over the place.”

It’s not a matter of which is worse: gentrification or poverty. Americans should be concerned about both, says Simon.

Often the cities where gentrification occurs are also the cities where poverty slowly spreads across other neighborhoods. Take Brooklyn, for example. Over the last decade, Brooklyn went from having four of New York’s poorest neighborhoods to having five. At the same time, it went from having zero of New York’s richest neighborhoods to having two and was singled out as having the least affordable housing market.

The Brooklyn chamber of commerce announced a certification program to guarantee consumers that the products that they purchase as made in Brooklyn are indeed ‘Brooklyn Made’. Photograph: Richard Levinw/Demotix/Corbis

The thing about urban rebound - call it gentrification if you want - is that it’s not always all bad.

“I don’t think that development should ever be dismissed as a bad thing. Everyone wants better schools, safer streets, and access to jobs. Those are really good things,” says Simon.

“What you don’t want is the displacement of people for the profit of a small handful of apartment building owners and developers. Everyone has a right to make a profit, but when that leads to involuntary displacement, it’s time for the public sector to intervene.”

The one way the public has attempted to intervene was through providing low-income Americans with low-income housing. The problem? Such housing is rarely found in middle- and upper-income areas. Instead they are often found in neighborhoods that are already struggling with higher than average levels of poverty, further increasing the concentration of poverty.

Concentration of poverty has been linked to higher crime, worse health, and low economic prospects.

And isn’t that scarier than seeing your neighborhood be overtaken by boutique coffee shops?